



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 3, 2002

### **H.R. 3801** **Education Sciences Reform Act of 2002**

*As ordered reported by the House Committee on Education and the Workforce  
on March 20, 2002*

#### **SUMMARY**

H.R. 3801 would restructure and reauthorize programs authorized under the National Education Statistics Act of 1994, and the Educational Research, Development, Dissemination, and Improvement Act of 1994. These programs currently are authorized through 2002. H.R. 3801 would reorganize and reauthorize these programs through 2008.

The bill would authorize total appropriations of \$701 million in 2003. CBO estimates that total authorizations under H.R. 3801 would amount to about \$4.4 billion over the 2003-2008 period, assuming that annual levels are adjusted to keep pace with inflation when specific annual authorizations are not provided. (Without such inflation adjustments, total authorizations would be about \$4.2 billion over the 2003-2008 period.) CBO estimates that appropriations of the authorized levels would result in additional outlays of \$3.7 billion over the 2003-2008 period if inflation adjustments are included (and about \$3.5 billion without inflation adjustments).

Enacting the bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. H.R. 3801 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 3801 is shown in Table 1. The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

**TABLE 1. ESTIMATED BUDGETARY EFFECTS OF H.R. 3801, THE EDUCATION SCIENCES REFORM ACT OF 2002**

	By Fiscal Year, in Millions of Dollars						
	2002	2003	2004	2005	2006	2007	2008
<b>SPENDING SUBJECT TO APPROPRIATION</b>							
<b>With Adjustments For Inflation</b>							
Spending Under Current Law							
Budget Authority <sup>a</sup>	444	0	0	0	0	0	0
Estimated Outlays	366	317	89	0	0	0	0
Total Proposed Changes							
Estimated Authorization Level	0	701	716	730	744	760	775
Estimated Outlays	0	175	564	716	731	745	760
Spending Under H.R. 3801							
Estimated Authorization Level	444	701	716	730	744	760	775
Estimated Outlays	366	492	653	716	731	745	760
<b>Without Adjustments For Inflation</b>							
Spending Under Current Law							
Budget Authority <sup>a</sup>	444	0	0	0	0	0	0
Estimated Outlays	366	317	89	0	0	0	0
Total Proposed Changes							
Estimated Authorization Level	0	701	701	701	701	701	701
Estimated Outlays	0	175	561	701	701	701	701
Spending Under H.R. 3801							
Estimated Authorization Level	444	701	701	701	701	701	701
Estimated Outlays	366	492	650	701	701	701	701

a. The 2002 level is the amount appropriated for that year for programs authorized under the National Education Statistics Act and the Educational Research, Development, Dissemination, and Improvement Act.

## **BASIS OF ESTIMATE**

H.R. 3801 would reorganize and reauthorize programs created under the National Education Statistics Act and the Educational Research, Development, Dissemination, and Improvement Act. All programs would be reauthorized at specific levels for 2003 and for such sums as may be necessary for 2004 through 2008.

H.R. 3801 would increase authorized levels by \$701 million in 2003 and by an estimated \$4.4 billion over the 2003-2008 period assuming that "such sums" amounts provided after 2003 are adjusted for inflation. If the authorized amounts are appropriated, outlays would increase relative to current law by \$175 million in the first year and by \$3.7 billion over the six-year period. (Without inflation adjustments, the increased authorizations would result in outlays of \$3.5 billion over the six years.)

Table 2 presents CBO's estimates with inflation adjustments for the various components of each title under H.R. 3801. The bill specifies authorization levels for 2003 and CBO's estimate of authorization levels for subsequent years reflect inflation adjustments to the 2003 amounts. The estimated outlays reflect historical rates of spending for the affected programs.

## **Title I - Education Sciences Reform**

Title I of H.R. 3801 would create an Academy of Education Sciences to replace the current Office of Education, Research, and Improvement. The bill would authorize a total of \$400 million for 2003 for title I. CBO estimates the total funding for title I for the 2003-2008 period would be \$2.5 billion, assuming adjustments for inflation, with resulting outlays of \$2.1 billion over those six years.

**Part A - Academy of Education Sciences.** The academy would continue to support and conduct education research and statistics activities, although the bill is more specific than current law as to certain characteristics of the activities to be funded. The academy would oversee the National Education Centers created in Parts B, C, and D and would be run by a director and overseen by a National Board for Education Sciences. Although more autonomous in structure, the academy would remain part of the Department of Education.

**Part B - National Center for Education Research.** This new center would be created to create national leadership in expanding knowledge and understanding of education—particularly to improve teaching and learning of reading, writing, mathematics, science and other academic subjects. The center would develop a research plan and award grants and contracts for research consistent with the plan.

**Part C - National Center for Education Statistics.** Part C would reauthorize the National Center for Education Statistics. The center would continue to collect and analyze data and report the information in a relevant and useful way to practitioners, researchers, policymakers, and the public.

**TABLE 2. DETAILED EFFECTS OF H.R. 3801, THE EDUCATION SCIENCES REFORM ACT OF 2002, WITH ADJUSTMENTS FOR INFLATION**

	By Fiscal Year, in Millions of Dollars						
	2002	2003	2004	2005	2006	2007	2008
<b>SPENDING SUBJECT TO APPROPRIATION</b>							
Spending Under Current Law							
Budget Authority <sup>a</sup>	444	0	0	0	0	0	0
Estimated Outlays	366	317	89	0	0	0	0
Proposed Changes:							
<b>Title I - Education Sciences Reform</b>							
Academy of Education Sciences							
Estimated Authorization Level	0	400	408	416	425	433	442
Estimated Outlays	0	100	322	409	417	425	434
<b>Title II - Regional Educational Applied Research and Technical Assistance</b>							
Regional Entities							
Estimated Authorization Level	0	189	193	197	201	205	209
Estimated Outlays	0	47	152	193	197	201	205
<b>Title III - National Assessment of Educational Progress</b>							
National Assessment Governing Board							
Estimated Authorization Level	0	5	5	5	5	5	5
Estimated Outlays	0	1	4	5	5	5	5
National Assessment of Education Progress							
Estimated Authorization Level	0	108	110	112	114	116	119
Estimated Outlays	0	27	87	110	112	114	117
Subtotal, Title III							
Estimated Authorization Level	0	112	114	117	119	121	124
Estimated Outlays	0	28	90	115	117	119	122
Total Proposed Changes							
Estimated Authorization Level	0	701	716	730	744	760	775
Estimated Outlays	0	175	564	716	731	745	760
Spending Under H.R. 3801							
Estimated Authorization Level <sup>a</sup>	444	701	716	730	744	760	775
Estimated Outlays	366	492	653	716	731	745	760

a. The 2002 level is the amount appropriated for that year for programs authorized under the National Education Statistics Act and the Educational Research, Development, Dissemination, and Improvement Act.

**Part D - National Center for Education Evaluation.** This new center would coordinate evaluations of federal education programs administered by the Secretary of Education to determine the effectiveness of the programs, especially on student academic achievement in reading, mathematics, and science. The center would also administer all contracts associated with evaluations specified in the No Child Left Behind Act of 2001 (Public Law 107-110), which was signed into law in January 2002.

**Part E - General Provisions.** Part E would authorize \$400 million in 2003 for the Academy of Education Sciences and its centers, and such sums as may be necessary for 2004 through 2008. Funding in 2002 for comparable programs totaled \$207 million.

## **Title II - Regional Educational Applied Research and Technical Assistance**

Title II would authorize a total of \$189 million for regional entities in 2003 and would authorize such sums as may be necessary in 2004 through 2008. CBO estimates that implementing this title would cost \$1.0 billion over the 2003-2008 period.

Existing organizations would apply to be a regional entity responsible for providing comprehensive applied research, development, and technical assistance to states, local educational agencies, and local organizations in at least reading, mathematics, science, and education technology. The regional entities would identify and address education needs in specific regions. They would be overseen by the Secretary of Education and governed by a Regional Entity Board. The regional entities would replace the existing regional educational centers and laboratories, which are funded at \$126 million in 2002.

## **Title III - National Assessment of Educational Progress**

Title III would authorize \$4.6 million in 2003 for the National Assessment Governing Board and \$107.5 million for National Assessment of Educational Progress (NAEP), and would authorize such sums as may be necessary in 2004 through 2008 for both programs. Both NAEP and the National Assessment Governing Board were amended in the No Child Left Behind Act of 2001 but funding was not reauthorized in that act. Funding for NAEP and the governing board in 2002 is \$4.05 million and \$107.5 million, respectively.

**Repeals.** H.R. 3801 would repeal the National Education Statistics Act of 1994, Parts A through E and Parts K through N of the Educational Research, Development, Dissemination, and Improvement Act of 1994 (Title IX of the Goals 2000: Educate America Act), and paragraph (2) of section 401 (b) of the Department of Education Organization Act.

**PAY AS YOU GO CONSIDERATIONS:** None.

**INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 3801 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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